

SUBCOMMITTEE 2

FINAL ACTION REPORT

Senate Budget and Fiscal Review

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NATURAL RESOURCES

0540 SECRETARY FOR RESOURCES

- Deleted all General Fund support from the Secretary's budget.

3340 CALIFORNIA CONSERVATION CORPS

- Restored funding for corps member health benefits and for local corps contracts.

3460 COLORADO RIVER BOARD

- Deleted all General Fund support from the board's budget.

3480 DEPARTMENT OF CONSERVATION

- Approved a \$98 million loan from the Beverage Container Recycling Account to the General Fund.

3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION

- Approved new fire protection fees for landowners on state responsibility areas (SRAs).
- Reduced \$5 million from the Timber Harvest Plan review and enforcement program and approved a 2 percent timber yield fee.

3600 DEPARTMENT OF FISH AND GAME

- Rejected the Governor's proposal to reduce funding for the department's Timber Harvest Plan (THP) review.

3640 WILDLIFE CONSERVATION BOARD (WCB)

- Redirected Proposition 50 bond funds for the River Parkway and Sierra Nevada-Cascade Mountain programs to the WCB.
- Approved \$32.5 million from Proposition 50 for the Colorado River Regulatory Program.

Trailer Bill Language

1. Requires the WCB to provide information on appraisals and purchase agreements for conservation land acquisitions.

Budget Bill Language

1. Requires the Department of Finance to provide notification to the Joint Legislative Budget Committee for all projects that will receive Proposition 50 bond funds.

3790 DEPARTMENT OF PARKS AND RECREATION

- Redirected all Proposition 40 Cultural and Historical funds to the Cultural and Historical Endowment.
- Approved \$49 million (Off Highway Vehicle funds) to purchase additional land and buffer zones for State Vehicular Recreation Areas (SVRAs).

Trailer Bill Language

1. Waives the 30 percent nonstate match requirement for the Roberti-Z'berg-Harris Urban Park and Murray-Hayden Grant program.
2. Renames Sugar Pine Point State Park, "Ed Z'berg Sugar Pine Point State Park."

3860 DEPARTMENT OF WATER RESOURCES

- Approved \$38 million reversion of unencumbered funds from the Colorado River Management Account. These funds were originally appropriated in 1998 for the lining of the Coachella Branch of the All American Canal.

Trailer Bill Language

1. Implements various programs within Proposition 50.

3870 CALFED BAY-DELTA AUTHORITY

- Approved the Governor's proposal to develop a broad based user fee for water users. This proposal is consistent with the CALFED Record of Decision (ROD).

ENVIRONMENTAL PROTECTION

0555 SECRETARY FOR ENVIRONMENTAL PROTECTION

- Approved a General Fund reduction of \$879,000 to the Office of the Secretary.

3900 AIR RESOURCES BOARD

- Approved an additional \$4.4 million increase in stationary source fees above the Governor's proposed \$10 million increase for the Stationary Source Program.

Supplemental Report Language

1. Requires the board to report on benefits and detriments on new power plant emission control technology.
2. Requires the Board to report on the final stationary source fee structure adopted by the board.

3910 INTEGRATED WASTE MANAGEMENT BOARD

- Approved as budgeted with the following trailer bills.

Trailer Bill Language

1. Reduces support staff of each board member for total savings of 11 positions.
2. Prohibits the board from subsidizing tire incineration research or promotion with public funds.
3. Prohibits board members from collecting per diem when traveling to or from the board headquarters for meetings.

3930 DEPARTMENT OF PESTICIDE REGULATION

- Provided a General Fund savings of \$3.6 million in the budget year and \$8.6 million in 2004-05 through an increase in the mill assessment, an additional assessment on restricted use pesticides, and an increase in registration and other pesticide-related fees on January 1, 2004.*
- Removed all General Fund from the department by 2004-05 through a total increase in fees of \$11.6 million in the budget year and \$30.8 million in 2004-05.*
- Increased funding for County Agricultural Commissioners by \$8 million in 2004-05 and set aside \$3.6 million from the mill assessment for a pesticide worker outreach and education program in 2004-05.*

Trailer Bill Language

1. Amends the Food and Agriculture Code to do the following:*
- Increases the mill assessment from 17.5 mills to 27 mills.
 - Increases registration fees from \$200 to \$700 per product, as well as various other licensing fees so that these programs are fully funded through fees.
 - Establishes a higher mill assessment (an additional 18 mills on top of the base mill assessment) on “restricted use” pesticides.
 - Increases the portion of the mill assessment going to County Agriculture Commissioners from 6 to 7 ¼ mills and dedicates all revenues received from the higher mill assessment on restricted use pesticides to County Agriculture Commissioners.
 - Allocates two mills of the mill assessment to a pesticide worker outreach and education program to be administered by the department.

** Details of the Department’s budget and trailer bill may change due to continued negotiations..*

3940 STATE WATER RESOURCES CONTROL BOARD

- Reduced \$3.6 million GF from the board’s Water Rights Program. The subcommittee also increased water rights fees by \$4.4 million to offset the reduction and provide one-time funding for establishment of a fee collection system.
- Approved the Governor’s proposal to shift \$13.6 million GF support to special funds for the board’s core regulatory program through a corresponding increase in the waste discharge permit fee.
- Restored a proposed \$6.8 million GF reduction in water quality monitoring and assessment activities through an additional increase in the waste discharge permit fee.
- Allocated \$7 million in Prop. 50 (Clean Beaches) funds to match \$7 million from the Coastal Conservancy for coastal contaminants monitoring equipment in the California Ocean Data Observing System.
- Allocated \$10 million in Prop. 50 funds for a grant program to reduce agricultural discharges to surface or groundwater.
- Rejected the elimination of the Chromium 6 Program.

Trailer Bill Language

1. Amends the Water Code to direct the State Water Resources Control Board to establish a Water Rights Fee for the support of the Water

Rights Division as appropriated by the Legislature.

3960 DEPARTMENT OF TOXIC SUBSTANCES CONTROL

- Approved as budgeted.

3980 OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT

- Approved the May Revision proposal to restore \$3.5 million of a proposed \$3.6 million GF reduction to various environmental and research programs through special funds and redirected GF.

PUBLIC SAFETY AND CRIMINAL JUSTICE

0550 YOUTH AND ADULT CORRECTIONAL AGENCY

- Approved as budgeted.

0552 OFFICE OF THE INSPECTOR GENERAL

- Approved trailer bill language related to \$1.7 million in proposed reductions.
- Approved an additional \$5 million in reductions, leaving a total of \$2.7 million to continue the functions of the office.

0820 DEPARTMENT OF JUSTICE

- Approved an increase of \$3.2 million GF to restore funding for the Spousal Abuser Prosecution Program.
- Rejected the proposed \$4.3 million GF for the Youth Authority class action suit and approved Budget Bill language to allow DOJ to receive funding through the Section 27 process should current negotiations not result in a settlement of the case.
- Approved an increase of \$3.5 million GF to prevent charging local law enforcement user fees for the state's forensic labs.
- Approved an increase of \$2 million (\$500,000 General Fund and \$1.5 million federal funds) for investigation and prosecution of Medi-Cal Fraud.
- Approved trailer bill language to provide additional legislative oversight for energy settlement funds.

5240 DEPARTMENT OF CORRECTIONS

- Rejected Finance Letter requesting \$10.8 million in lease revenue bonds to convert NCWF to a male reception center.
- Approved \$3.6 million GF to change the Basic Correctional Officer Academy from 16 weeks to 12 weeks at the Academy and 4 weeks on-the-job.
- Approved \$58.5 million due to increased projections for the inmate and parole populations.
- Approved funding from lease revenue bonds for a death row facility at San Quentin State Prison.

- Approved a reduction of \$5.4 million to delay activation of 500 substance abuse beds.
- Approved a reduction of \$8.8 million to delay activation of Delano II until April 2005.
- Approved a reduction of \$13 million for various healthcare services programs to reflect improved pharmacy protocols and reduced referrals to outside emergency care facilities.
- Approved a reduction of \$4.8 million and 53 positions to reflect a reduction in management positions at institutions statewide. The positions include 24 correctional captains, 19 facility captains, 8 associate wardens, and 2 chief deputy wardens.
- Approved a reduction of \$1.6 million and 15.5 positions to increase the span of control for Parole Administrators from supervision of five parole offices to eight offices.
- Approved a reduction of \$2.3 million and 32 positions through the elimination of Correctional Sergeant positions associated with the 7k training program.
- Approved a net reduction of \$27.5 million from the expansion and restructuring of education, vocational education, and arts programs to maximize state savings. This action includes restoring \$10.9 million for education programs and the arts-in-corrections from the proposed \$37.4 million reduction for these programs, and expanding education programs by \$10 million in reception centers.
- Approved savings of \$400,000 from the elimination of three Community Correctional Facilities.
- Approved a net reduction of \$4.5 million from increasing the number of correctional academy graduates by 640 and establishing more correctional officer positions.
- Approved a reduction of \$20.1 million through a drug treatment furlough program which would place nonviolent, nonserious inmates in the drug treatment program into a supervised, community residential drug treatment program for the final 120 days of the inmate's sentence.
- Approved a net reduction of \$10.3 million from fully funding the existing program that provides pre-release planning and enhanced community services for mentally ill parolees.
- Approved a net reduction of \$7.9 million from reduced recidivism through (1) improved pre-release planning, (2) development of a new risk assessment tool to ensure parole supervision is effectively targeted, and (3) expansion of the PACT (Police and Corrections Teams) program.
- Approved a net reduction of \$50.4 million from implementing policies that would employ appropriate sanctions for low-level parole violators, based on the offense and the underlying public safety risk of the parolees. The Substance Abuse Treatment Control Units (SATCUs) and Community Detention alternatives would be available to low-level parolees who commit parole violations of a technical nature.
- Approved a reduction of \$9.6 million from the expansion of Felony Drug Courts.
- Approved \$62.3 million to fund the local assistance deficiency for the department.
- Approved \$147,000 for the Sexually Violent Predators (SVPs) Conditional Release Program. This amount was vetoed by the Governor. These funds were intended to fund this program through the Department of Corrections. The veto message indicates that the Governor will

instruct the departments to explore the most effective and least costly way to provide supervision for these SVPs.

5430 BOARD OF CORRECTIONS

- AB 1765 and budget trailer AB 1758 approved the elimination of the program that reimburses local correctional agencies for partial costs for training and approved a transfer of \$9.6 million from the Corrections Training Fund to the GF. Senate Bill 1042 and SB 1044, pending before the Senate, would restore funding of \$16 million for this program.

5440 BOARD OF PRISON TERMS

- Approved a reduction of \$3.5 million from revised workload projections.

5460 DEPARTMENT OF THE YOUTH AUTHORITY (YA)

- Approved an increase of \$1.3 million in the YA due to the consolidation of the duties of the Youthful Offender Parole Board (YOPB) the YA as of January 2004. The budget for YOPB was reduced by \$1.6 million.
- Approved a reduction of \$3.6 million from savings due to closure of the Holton facility and closure of the male portion of the Ventura facility.
- Approved a reduction of \$6.1 million from adjusting for inflation the sliding scale fee charged to counties.

5480 COMMISSION ON CORRECTIONAL PEACE OFFICERS STANDARDS AND TRAINING

- Approved a reduction of \$1.1 million, or 50 percent of the budget.

8100 OFFICE OF CRIMINAL JUSTICE PLANNING

- Eliminated 10 management positions for a savings of an estimated \$1.8 million GF and federal funds. Savings from the federal funds were directed to local assistance grants.
- Approved consolidation of the Elder Abuse Vertical Prosecution, Child Abuser Vertical Prosecution, Vertical Prosecution of Statutory Rape, Major Narcotic Vendor Vertical Prosecution, and the Career Criminal Vertical Prosecution programs into a vertical prosecution

block grant, and approved a 50 percent reduction in the total amount for a savings of \$8.2 million.

- Reduced funding from \$15 million to \$9.5 million GF for the War on Methamphetamine program.
- Approved elimination of the OCJP. The budget contains half-year funding for the office and provides for the Department of Finance to submit a plan for continuing funding of OCJP programs in the fiscal year and for a Governor's Restructuring Plan to permanently transfer and consolidate the functions of OCJP.

8120 COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING

- Approved a Finance Letter to restore \$25.5 million in funding for the program that reimburses local law enforcement agencies for the costs of training. These funds were originally proposed to be transferred to the GF.

8180 PAYMENTS TO COUNTIES FOR THE COSTS OF HOMICIDE TRIALS

- Approved Budget Bill language that allows Stanislaus County to be reimbursed for 100 percent of its costs associated with the homicide trial of the *People v. Scott Peterson*. This language was vetoed by the Governor, noting that there is an existing procedure by which counties can get reimbursed for costly homicide trials.

8700 VICTIM COMPENSATION AND GOVERNMENT CLAIMS BOARD

- Approved Budget Bill language authorizing a short term loan from the GF to meet the cash flow needs of the Restitution Fund.

9210 LOCAL GOVERNMENT SUBVENTIONS (CRIMINAL JUSTICE)

- The provisions of AB 1765 suspend the subventions for the Rural and Small County Law Enforcement grants for two years (savings of \$18.5 million GF). SB 1044, pending before the Senate, would restore the funding for this program.
- The provisions of AB 1749 eliminate the counties' authority to charge booking fees and delete the subventions to cities for savings of \$32 million. AB 1749 was not approved in the Assembly.

CONTROL SECTION 24.10

- Approved Budget Bill language that would transfer \$14 million from the Driver Training Penalty Assessment Fund to the Peace Officer Training Fund, and would transfer \$3 million from the Driver Training Penalty Assessment Fund to the Witness Protection Program.

ENERGY

3360 ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

- Approved a \$20 million loan with a repayment date of June 30, 2005 from the Public Interest Research, Development, and Demonstration Fund to the GF.
- Reverted \$4.943 million of unencumbered, uncommitted funds that the Legislature appropriated to the commission through energy crisis legislation.
- Transferred a total of \$9.365 million from the Energy Resources Programs Account to the GF.

Trailer Bill Language

1. Assesses (a) a siting fee on developers of large power plants in the amount of \$100,000, plus \$250 per MW of generating capacity up to \$350,000 and (b) a \$15,000 annual compliance fee on power plant owners to cover the commission's ongoing compliance activities.

8660 PUBLIC UTILITIES COMMISSION

- Approved a May Revision proposal to increase the Commission's expenditure authority by \$4.5 million (special funds) for Pacific Gas and Electric-related litigation activities.
- Approved a \$150 million loan from the Commission's Teleconnect Fund to the GF. The subcommittee also adopted trailer bill language requiring partial or whole repayment of the loan if the fund were to become deficient because of the loan.
- Adopted the May Revision proposal for 8 additional positions to increase bilingual services in the Commission's Consumer Affairs Branch.

Trailer Bill Language

1. Amends the Public Utilities Code to prohibit the Commission from establishing any office or department whose purpose is to evaluate the economic consequences of the Commission's decisions.
2. Prohibits the Commission from raising the surcharge rate for the Teleconnect Fund due to deficiencies in the fund resulting from the above-mentioned loan, unless the Commission first request the Director of Finance for a partial or whole repayment of that loan from the GF.

Supplemental Report Language

1. Requires the Public Utilities Commission, the Energy Commission, and the Power Authority to report on their progress in reaching goals stated in the Energy Action Plan.
2. Requires the Commission to report on the programmatic problems associated with the Teleconnect Fund program and possible solutions to address those issues.

8665 CALIFORNIA POWER AUTHORITY

- Approved as budgeted.

Budget Bill Language

1. Required the Authority to repay \$1 million of its loan from the Energy Resources Program Account by June 30, 2004.

8770 ELECTRICITY OVERSIGHT BOARD*Supplemental Report Language*

1. Requires the Electricity Oversight Board to coordinate and develop a report on current state representation activities before the Federal Energy Regulatory Commission by the Electricity Oversight Board and various other state agencies.

GENERAL GOVERNMENT

0690 OFFICE OF EMERGENCY SERVICES

- Approved the May Revision proposal to restore \$663,000 to the Disaster Service Worker's Volunteer Program.

3780 NATIVE AMERICAN HERITAGE COMMISSION

- Approved the May Revision proposal to augment its budget by \$247,000 and three positions for Timber Harvest Plan review.

8550 CALIFORNIA HORSE RACING BOARD

- Approved as budgeted.

8570 DEPARTMENT OF FOOD AND AGRICULTURE

- Suspended the Animal Adoption Mandate.

Supplemental Report Language

1. Requires the department to develop a report detailing a means of funding the Department's invasive pest and disease exclusion, eradication, and control efforts, including those for the Mediterranean Fruit Fly Exclusion Program, that reduces the State's General Fund costs.

8690 SEISMIC SAFETY COMMISSION

- Shifts \$884,000 in funding for the Commission from the GF to a new Seismic Safety Account within the Department of Insurance Fund which would be funded through a fee on insurers.

Trailer Bill Language

1. Establishes an assessment on insurers as a prorated percentage of premiums earned on commercial and residential earthquake policies in the state for the Commission's activities.

8830 CALIFORNIA LAW REVISION COMMISSION

- Rejected the elimination of the Commission and adopted a reduced budget of \$550,000 GF.

8840 COMMISSION ON UNIFORM STATE LAWS

- Rejected the elimination of the Commission and adopted a reduced budget of \$122,000 GF.